

MAY 2019

# Strengthening the U.S.-Pacific Islands Partnership

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CENTER FOR STRATEGIC &  
INTERNATIONAL STUDIES

A Report of the CSIS PACIFIC PARTNERS INITIATIVE

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# 1 | Introduction

The United States has long historic ties to the Pacific Islands, but for many decades this region has taken a back seat to other areas viewed by U.S. policymakers as holding greater strategic and economic weight. This has begun to change as Washington has started shifting its focus back to the Pacific Islands, reaching levels of political attention in recent months not seen since the end of the Pacific War in 1945. The United States has not been alone in renewing its focus on the region. Building on long-standing ties, in the last year Australia announced a “Pacific step-up” policy, and New Zealand launched a “Pacific reset.” Interest has also been rising in Tokyo, Taipei, and Jakarta, among other capitals.

While the Pacific Islands are important for a range of reasons, not least their extreme vulnerability to the impacts of climate change, it has been China’s recent diplomatic and economic push into the region that has caused growing concern and renewed diplomatic attention in many capitals. The United States has long enjoyed strong ties and warm relationships with countries in the region, but the calls for significantly boosting levels of engagement, dialogue, and cooperation commensurate with the region’s strategic significance are new.

In this context, CSIS was pleased to organize a conference on the theme of “Strengthening the U.S.-Pacific Island Partnership” in Nadi, Fiji from March 4-5, 2019 in partnership with the Department of State. The conference gathered thought leaders from the United States and 11 Pacific Island nations, including Fiji, the Solomon Islands, Vanuatu, Papua New Guinea, Palau, and Tuvalu, among others, to explore avenues for deeper cooperation and to build stronger people-to-people ties across the Pacific. Over the course of two days, conference attendees discussed a range of issues of mutual concern, including sustainable economic development, maritime security, connectivity, and resilience. This report draws on this dialogue, which as far as we are aware was the first of its kind. However, the findings and recommendations below reflect the opinions of the authors alone.

## 2 | The Pacific Islands Region

The Pacific Islands region is a vast expanse of sea dotted by small island nations, “infinite specks of coral” in an “endless ocean,” as James Michener once wrote.<sup>1</sup> Spanning 15 percent of the earth’s surface, the region is home to 14 independent nations and freely associated states, plus territories administered by the United States, France, and New Zealand.<sup>2</sup> The size and population of these island nations is highly diverse, with Papua New Guinea (PNG) comprising approximately 77 percent of the region’s population and 85 percent of its land mass and the remaining 2.1 million people occupying islands whose total land area is equivalent to that of West Virginia. Aside from Papua New Guinea, the island nations range in size from Fiji, with a population just under one million and territory of 18,274 square kilometers, to tiny Kiribati, with a population just over 110,000 people and spread out over far flung islands that amount to only 811 square kilometers of land, though Kiribati boasts an Exclusive Economic Zone (EEZ) of over 3.4 million square kilometers, the 12th largest EEZ in the world. Kiribati is not alone; the small Pacific Island states have some of the largest ocean territories in the world, leading them to refer to themselves as “big ocean states” comprising an “ocean continent.” While outsiders often characterize the region as fragile, fragmented, and vulnerable, the region itself has coalesced around a vision of resilience, as a “Blue Pacific” capable of leveraging its collective stewardship of the ocean and its resources to drive positive change—a point made strongly by Pacific Island participants throughout the conference.

The Pacific Island region is made up of three ethno-geographic groupings or subregions, which have different relationships with key external partners.

**Melanesia** includes Papua New Guinea, Fiji, the Solomon Islands, and Vanuatu, along with territories administered by France. These island nations in the southwestern Pacific have substantial land features that rise significantly above sea level. Based on geographical proximity and historical ties, Australia has been viewed as the primary outside partner for this subregion and plays an outsize role in political cooperation and assistance.

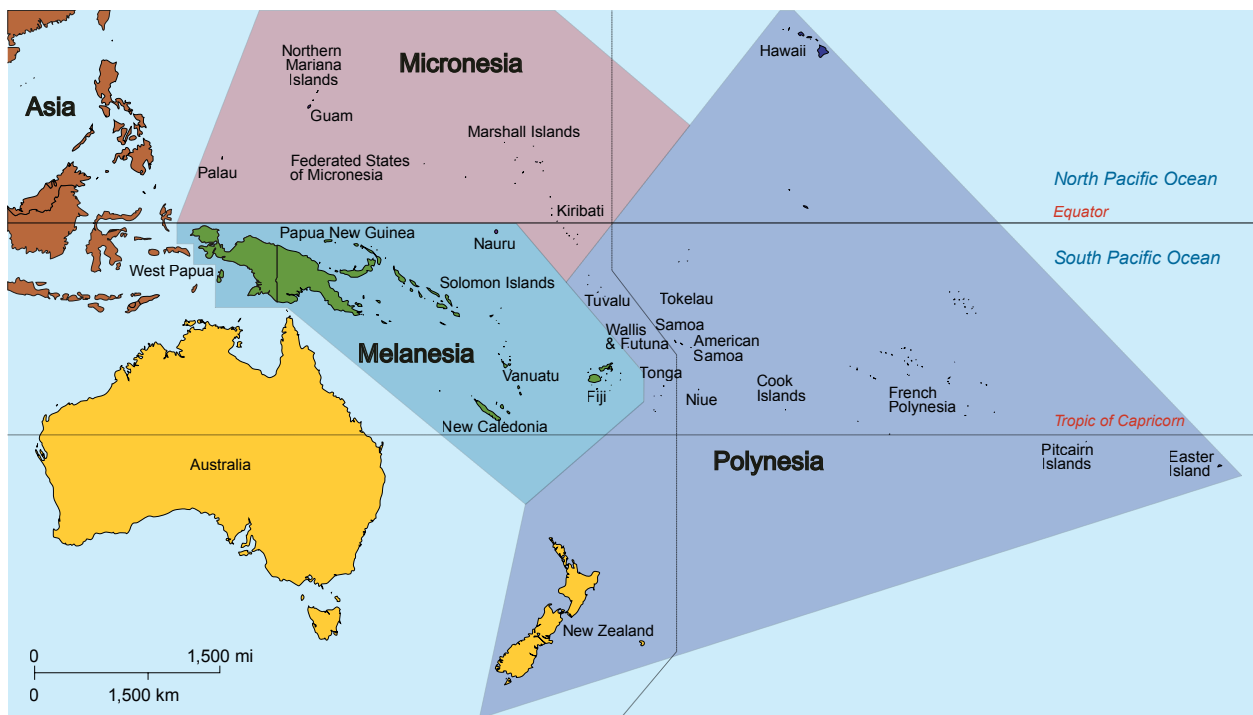
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1. James A. Michener, *Tales Of The South Pacific* (New York: Macmillan, January 1947).

2. Palau, the Federated States of Micronesia, and the Marshall Islands are independent countries in free association with the United States, while the Cook Islands and Niue are independent countries in free association with New Zealand. Typically free association means a special relationship with a larger state that often entails delegating some degree of sovereignty over defense and foreign policy and receiving financial assistance and social services.

**Polynesia**, which includes Tuvalu, Samoa, Tonga, Niue, and the Cook Islands, as well as American Samoa, French Polynesia, and other scattered territories, are generally small islands scattered across the central and southern Pacific Ocean. Niue and the Cook Islands are Freely Associated States with New Zealand, and New Zealand is the primary outside partner for most countries in the region.

**Micronesia** includes Palau, the Federated States of Micronesia, the Marshall Islands, Kiribati, and Nauru, as well as the U.S. territories of Guam and the Northern Mariana Islands. The Micronesia region is comprised of a series of atolls and small scattered islands, many just above sea level, lying across a large area north of Melanesia. The United States has Compacts of Free Association with three independent countries: Palau, the Federated States of Micronesia, and the Marshall Islands. The Compact states, along with the U.S. territories in this region, make the United States the dominant partner in Micronesia, except with Kiribati and Nauru, who have closer ties to Australia and New Zealand.



Source: Cruickshanks / Wikimedia Commons / CC-BY-SA-3.0

Note: Made revision to original by removing color and title of Australasia

The vast geography of the Pacific Island region creates substantial challenges for economic development. The countries' small sizes and remoteness puts them at great distance from most major consumer markets and global shipping lanes and makes connectivity among and even within these countries a major challenge. This relative isolation produces limited opportunities for foreign investment and economic growth, making many Pacific Island communities reliant on migration, remittances, and development assistance. In addition, Pacific Island countries face challenges from human capital and capacity gaps, including in government, and the relatively high price of goods and services. Per capita income in the region ranges from lower-middle-income (Kiribati, the Solomon Islands, Vanuatu,



Federated States of Micronesia, Republic of the Marshall Islands, and Papua New Guinea in the \$2,000-\$3,700 range of GDP per capita) to the higher-middle-income (Nauru, Palau, and the Cook Islands in the \$12,000-\$17,000 range).

The region's expansive maritime territory makes fisheries a major economic asset for the region but also presents growing challenges. The Pacific region has the largest tuna fisheries in the world, with over half of the tuna consumed worldwide harvested in the region, altogether at an unsustainable rate. However, countries in the region do not have the capacity to monitor and patrol the large sea areas and EEZs over which they have sovereignty. As a result, illegal, unreported, and unregulated (IUU) fishing has become an increasingly critical issue for the Pacific Islands. It has been estimated that IUU tuna fishing in the Pacific, mainly carried out by legally licensed vessels, lies within a range of 276,546 to 338,475 tons and costs over \$600 million a year.<sup>3</sup>

COUNTRY	POPULATION (est. July 2018)	GDP (in billions est. 2017)	GDP per capita USD (PPP)	LAND (sq km)	SIZE of EEZ
<i>Melanesia</i>					
Fiji	926,276	8.629	\$ 9,800	18,274	1,282,978
Papua New Guinea	7,027,332	30.17	\$ 3,700	452,860	2,402,288
Solomon Islands	660,121	1.33	\$ 2,200	27,986	1,589,477
Vanuatu	288,037	0.72	\$ 2,700	12,189	663,251
<i>Micronesia</i>					
Palau	21,516	0.274	\$ 14,700	459	603,978
Federated States of Micronesia	103,643	0.34	\$ 3,400	702	2,996,419
Kiribati	109,367	0.227	\$ 2,000	811	3,441,810
Marshall Islands	75,684	0.196	\$ 3,600	181	1,990,530
Nauru	9,692	0.16	\$ 12,300	21	308,480
<i>Polynesia</i>					
Cook Islands	9,038	0.29	\$ 16,700	236	1,830,000
Niue	1,618	0.1	\$ 5,800	260	390,000
Samoa	201,316	1.137	\$ 5,700	2,821	127,950
Tonga	106,398	0.59	\$ 5,900	717	659,558
Tuvalu	11,147	0.42	\$ 3,800	26	749,790

Source: "Australia – Oceania," The World Factbook, The Central Intelligence Agency, 2017, [https://www.cia.gov/library/publications/resources/the-world-factbook/wfbExt/region\\_aus.html](https://www.cia.gov/library/publications/resources/the-world-factbook/wfbExt/region_aus.html)

By far the most significant challenge for Pacific Island states is climate change, which has galvanized the region to coalesce around a collective agenda for global action on climate issues. The Pacific Islands are on the frontline of the impacts of climate change, including rising sea levels, intensifying tropical storms, extended drought, freshwater scarcity, and marine ecological damage. The Pacific is seeing dramatic increases in the number and intensity of tropical cyclones, with the most severe tropical storms to

3. Murray Bauer and Frank Giaretto, "Illegal, Unreported And Unregulated Fishing," The Pacific Environmental Security Forum, May 25, 2016, [http://pesforum.org/docs/2016/D1\\_04\\_IUU\\_Fishing.pdf](http://pesforum.org/docs/2016/D1_04_IUU_Fishing.pdf).

ever hit the region taking a tremendous toll on several Pacific Islands in recent years. Cyclone Winston, the worst cyclone ever recorded in the Pacific, ravaged Fiji in 2016 and displaced over 130,000 people, while Cyclone Pam devastated Vanuatu in 2015, causing damages amounting to 64 percent of GDP.<sup>4</sup> Rising ocean temperatures are already killing corals and changing ocean acidity, resulting in degraded marine ecosystems and fish stocks, including tuna.

One does not have to look very far over the horizon to see even more devastating impacts of climate change in the Pacific Islands region. Climate change poses an existential threat for several entire island nations in the Pacific due to sea-level rise and salination of water supplies. The UN Intergovernmental Panel on Climate Change (IPCC) projects that islands of Kiribati will be two-thirds under water by end of the century due to sea-level rise, and Kiribati's former president warns that many populated islands could be uninhabitable by 2050.<sup>5</sup> The Marshall Islands may face an even more dire scenario: a recent study by the U.S. military found that the Marshall Islands, where the United States has a key military installation on Kwajalein Atoll, could be uninhabitable by as early as 2030. As Marshall Islands President Hilda Heine put it, this means "the very existence of the Marshall Islands is at stake."<sup>6</sup> In Papua New Guinea, the "world's first environmental refugees" had to be relocated from the Carteret and Manam Islands when food, water, and land grew scarce. The region is expected to produce many thousands of forced migrations in the coming decades as more islands become inundated by rising seas.<sup>7</sup>

On the surface, the region is generally politically stable and free, with Freedom House ranking 10 of the region's countries "free" and 2 countries "partly free" (Fiji and Papua New Guinea) in 2019 (Tuvalu and Niue were not ranked). Fiji has had four military coups over the past two decades, most recently in 2006, although it returned to democratic elections in 2014 (with former coup leader and prime minister, Frank Bainimarama, remaining in power).

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4. Matthew Dornan, "Fiji's Economic Resurgence And Its 2016-17 Budget," The Development Policy Centre, July 26, 2016, <http://www.devpolicy.org/fijis-economic-resurgence-and-its-2016-17-budget-20160726/>.

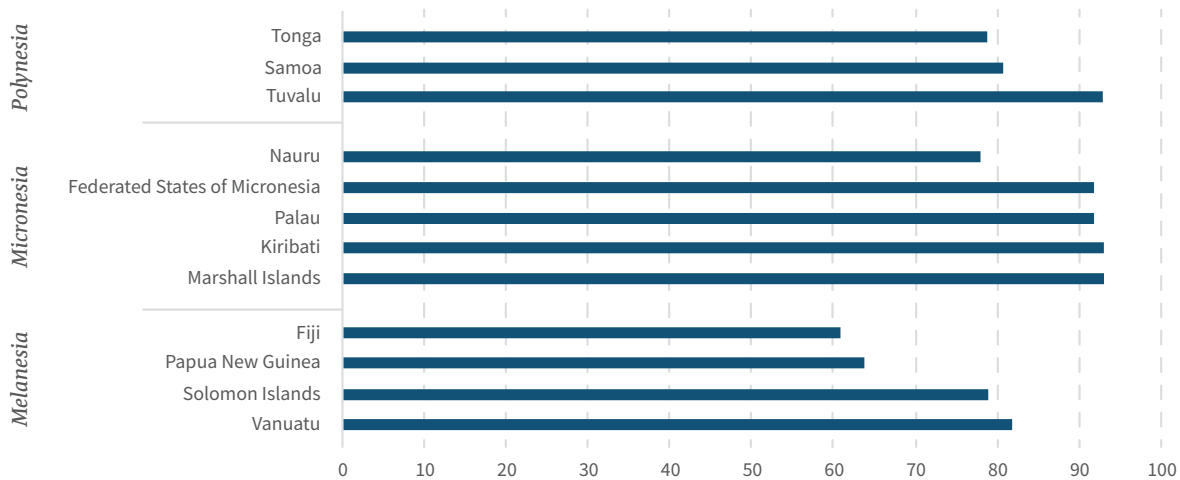
5. The Intergovernmental Panel on Climate Change, *Global Warming Of 1.5°C* (Geneva: United Nations, 2019), <https://www.ipcc.ch/sr15/>; Anote Tong and Matthieu Rytz, "Our Island Is Disappearing But The President Refuses To Act," *Washington Post*, October 24, 2018, [https://www.washingtonpost.com/news/theworldpost/wp/2018/10/24/kiribati/?utm\\_term=.7e421017d0c2](https://www.washingtonpost.com/news/theworldpost/wp/2018/10/24/kiribati/?utm_term=.7e421017d0c2).

6. Curt Storlazzi et al., *The Impact Of Sea-Level Rise And Climate Change On Department Of Defense Installations On Atolls In The Pacific Ocean* (Alexandria, VA: Strategic Environmental Research and Development Program (SERDP), August 2017), <https://www.serdp-estcp.org/Program-Areas/Resource-Conservation-and-Resiliency/Infrastructure-Resiliency/Vulnerability-and-Impact-Assessment/RC-2334/>; "Trouble In Paradise: How Does Climate Change Affect Pacific Island Nations?" The Climate Reality Project, March 14, 2019, <https://www.climate realityproject.org/blog/trouble-paradise-how-does-climate-change-affect-pacific-island-nations>.

7. Simon Nazer, "The Last Islanders: Rising Sea Levels In Papua New Guinea," UNICEF Connect East Asia & Pacific, March 22, 2017, <https://blogs.unicef.org/east-asia-pacific/the-last-islanders/>.

## Freedom in the World (2019)

in percentile rank (0, the lowest rank to 100, the highest rank)



Source: "Freedom in the World 2019," Freedom House, <https://freedomhouse.org/report/freedom-world/freedom-world-2019/map>.

Note: Niue and the Cook Islands were not ranked

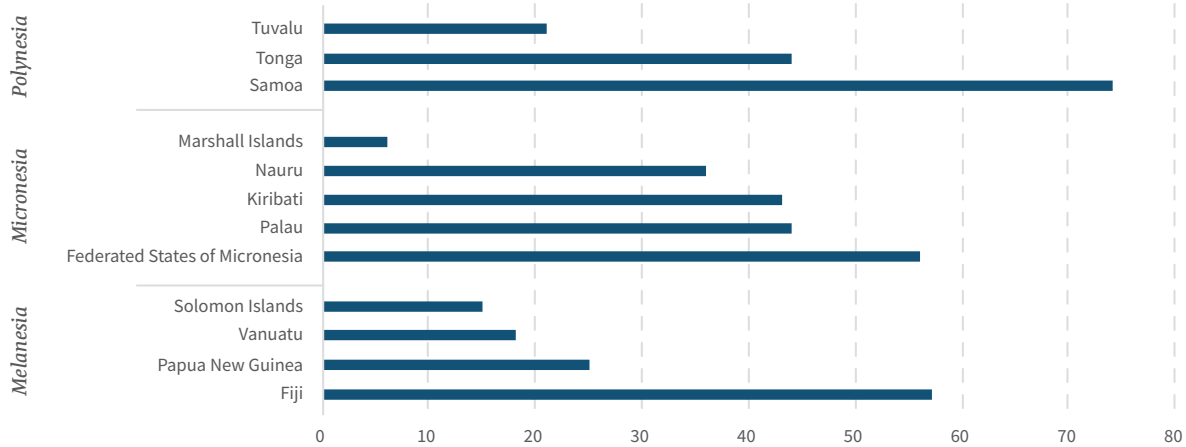
Despite the relatively high political rankings, many nations face severe governance challenges. According to the World Bank Governance Indicator index, the best ranked country in terms of government effectiveness is Samoa, with a score of 74 (meaning that Samoa ranked higher than 74 percent of countries surveyed), and the Marshall Islands ranked lowest, with a score of 6 (only 6 percent of countries surveyed ranked worse than the Marshall Islands).

Gender inequality and gender-based violence also remain substantial challenges. While violent conflict has become rare, rates of interpersonal violence against women are among the highest in the world.<sup>8</sup> The highest rates of lifetime experience of physical and/or sexual violence by an intimate partner in the Pacific Island region include: Kiribati (68 percent), Fiji (64 percent), the Solomon Islands (64 percent), Vanuatu (60 percent), and the Marshall Islands (51 percent). Women's political and economic representation is also the lowest in the world. Fiji and the Cook Islands have the highest women's representation in parliament with 16 percent and 17 percent, respectively, and in Palau, women occupy 10 percent of seats in parliament. However, the Federated States of Micronesia, Tonga, and Vanuatu have no female parliamentarians. Women's participation in the labor force is highest in the Solomon Islands (67 percent) and the Cook Islands (65 percent), and lowest in Samoa (24 percent).

8. The Asian Development Bank, *Gender Statistics: The Pacific And Timor Leste* (Manila, Philippines: 2016), <https://www.adb.org/sites/default/files/publication/181270/gender-statistics-pacific-tim.pdf>.

## World Bank Governance Effectiveness Indicator (2017)

*in percentile rank (0, the lowest rank to 100, the highest rank)*



Source: "Worldwide Governance Indicator," The World Bank, 2017, <http://info.worldbank.org/governance/wgi/#reports>.

Note: Niue and the Cook Islands were not ranked

Despite the challenges presented by their remoteness and lack of connectivity, the large number of independent polities and their geographic position as “stepping stones” in a vast ocean territory have served as strategic assets that have long drawn in outside powers with global interests. The growing pace and depth of this engagement holds great opportunity if skillfully leveraged. The region is also no stranger to courting larger outside powers engaged in strategic competition, having benefited for decades from largesse from Beijing and Taipei in exchange for diplomatic recognition of either China or Taiwan. Today, with Beijing surging its efforts in the Pacific, and with Washington, Canberra, Wellington, and Tokyo, among others, ramping up engagement as well, the region has an opportunity to harness outside interest to achieve sustainable economic growth and enhance resilience if engagement is channeled carefully. The region’s institutional architecture is one way that countries in the region seek to coordinate and effectively leverage their voice and direct external engagement towards regional and national priorities.

## 3 | Pacific Regionalism and Regional Architecture

Like other subregions in the Indo-Pacific, the Pacific Islands region has a patchwork of overlapping regional institutions that serve as platforms to promote regional cooperation and a shared vision for regional development. Debates about the effectiveness, priorities, and membership of regional organizations have intensified in recent years, leading to some notable changes in the institutional landscape. Yet key institutions continue to drive the regional agenda and shape regional cooperation as well as engagement with external partners. These multilateral fora help to foster a common Pacific identity and enable the region to speak with a larger voice on key issues like climate change and ocean resource management. Consistent and high-level engagement in and through these institutional frameworks remains essential for an effective policy approach to the region.

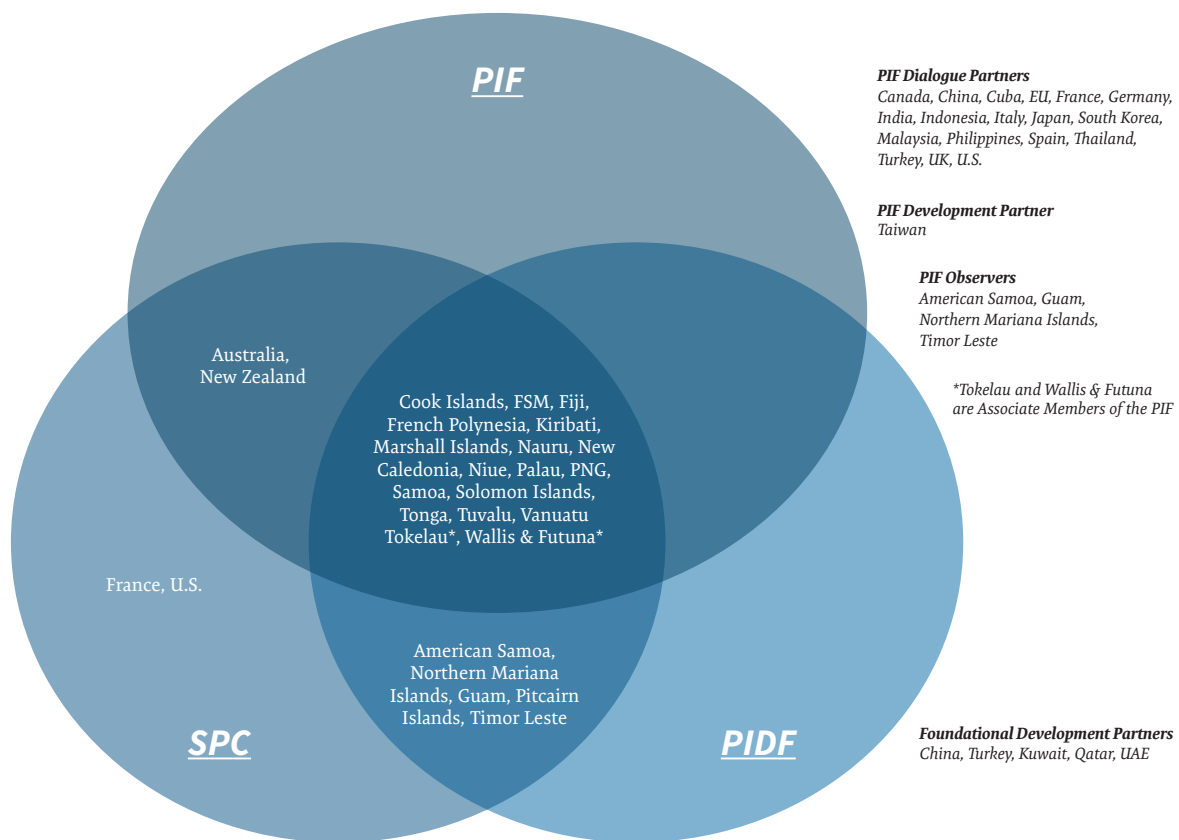
The principal regional grouping is the Pacific Islands Forum, or the PIF, which brings together leaders from the region on an annual basis and has been the driving force for Pacific regionalism since its founding in 1971. The PIF is comprised of Australia and New Zealand (both founding members), 14 independent Pacific Island nations, and since 2016, French Polynesia and New Caledonia.<sup>9</sup> The United States is one of 18 Dialogue Partners that participate in a Post-Forum Dialogue following the PIF summit.<sup>10</sup> The PIF Secretariat is based in Suva, Fiji, with rotating PIF Chairs hosting annual leaders meetings.

The PIF has undergone significant changes in its mandate, vision, and governance in recent years in response to rising internal dissatisfaction with the existing policy framework and the dilution of the Pacific Islands' voice on international debates on key issues such as climate change and sustainable development goals. Australia and New Zealand's membership and the strong political influence within the grouping led to growing criticism, in particular about Australia's diverging policy priorities with respect to climate change. There were also complaints that the PIF was too state-centric and donor-driven, with growing calls for more inclusivity of civil society and business organizations as well as a more "ownership-driven" development model.

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9. Tokelau and Wallis and Futuna are associate members.

10. The other dialogue partners are Canada, the People's Republic of China, Cuba, the European Union, France, Germany, India, Indonesia, Italy, Japan, the Republic of Korea, Malaysia, the Philippines, Spain, Thailand, Turkey, and the United Kingdom.



Calls for reform were compounded by Fiji's suspension from the group in 2009, three years after its military coup. The Fijian government had already been vying with Australia and Papua New Guinea for greater regional leadership, and its suspension from the PIF accelerated its efforts to create a new "island-driven" regional framework, resulting in the launch of a new organization, the Pacific Islands Development Forum, or PIDF, in 2013. The PIDF grew out of the Bainimarama regime's engagement with regional and external partners to counter diplomatic isolation following the coup, including its efforts to strengthen ties with China and India and establish diplomatic relations with South Africa, Brazil, and the United Arab Emirates. The rhetoric of the PIDF has focused on its role as a framework with a "distinctive Pacific voice" that would not be "dominated by only a few," referring to the exclusion of Australia and New Zealand, and would be inclusive of civil society, NGOs, and business groups, which were invited to participate on equal footing with government representatives. Its economic agenda is defined as a uniquely Pacific vision for a "blue-green economy"—environmentally sustainable "green growth" in an ocean-based "blue economy."

Beneath this rhetoric, the politics of competition have been clearly visible. Only six Pacific Island leaders or heads of state attended the inaugural summit, with others sending ministerial-level representatives. The fact that financial support was provided by the governments of Kuwait, China, and the United Arab Emirates, as well as "local business houses," did little to reassure those countries in the region already skeptical of the PIDF's



value as an alternative to the PIF.<sup>11</sup> With Fiji's return to the PIF in 2014 and Fiji Prime Minister Bainimarama's pledge to personally attend the leaders meeting in 2019 for the first time since 2007, the PIDF's political future is uncertain. The PIDF has held only three summits, the last one in 2016.

Meanwhile, these developments spurred the PIF to strengthen its secretariat and reexamine its mandate, leading to the replacement of the much-criticized 2005 "Pacific Plan" with a new "Framework for Pacific Regionalism," which creates a more effective process for identifying and implementing regional public policy priorities and regional integration.<sup>12</sup> The PIF began elevating its voice on climate change in international forums and sharpening its focus on oceans, fisheries, and sustainable development as the centerpiece of its agenda.

The Pacific Community, known as the SPC, was founded in 1947 by the six colonial countries in the region; Australia and New Zealand invited France, the Netherlands, the United States, and the United Kingdom to a conference to discuss the future security and development order in the region. The "South Pacific Commission," as it was originally called, was envisioned as a purely technical development agency that would promote social and economic development in the island nations and territories, while political and security issues would be addressed through other channels.<sup>13</sup> The SPC has the largest membership of the regional organizations, with 26 members, including Australia, France, New Zealand, and the United States, along with 22 island nations and territories. Headquartered in Nouméa, New Caledonia, it focuses on providing technical support and professional development for regional development priorities including climate change, disaster risk management, and natural resource and environmental management.

In addition to these region-wide groupings, there are a growing number of subregional and smaller groupings that add to the patchwork of overlapping regional institutions, with some playing a significant role in shaping regional agendas and promoting cooperation. One of the most prominent is the Melanesian Spearhead Group (MSG), which includes the Melanesian countries of Fiji, Papua New Guinea, the Solomon Islands, and Vanuatu, as well as the Kanak Socialist Liberation Front (FLNKS), a pro-independence movement from New Caledonia. The MSG promotes cultural and political solidarity and economic ties among its Melanesian members and has supported the cause of independence in New Caledonia and to some extent in West Papua, although its stance on West Papua has been caught up in disagreement among the members about how to engage Indonesia.<sup>14</sup> The

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11. A press release prior to the inaugural summit stated: "The meeting is being made possible with the generous support of the Governments of Kuwait which has given USD\$389,000.00, Peoples Republic of China FJD\$200,000.00 and the United Arab Emirates USD\$100,000.00 and a number of local business houses." In Webmedia fiji, "Ground Breaking & Historical Summit Set To Begin," Pacific Islands Development Forum, July 22, 2013, <http://pacificidf.org/ground-breaking-historical-summit-set-to-begin/>.

12. "Pacific Regionalism & The Blue Pacific," Pacific Island Forum Secretariat, 2018, <https://www.forumsec.org/pacific-regionalism/>.

13. Tess Newton-Cain, "Rebuild Or Reform: Regional And Subregional Architecture In The Pacific Island Region," *Journal De La Societe Des Oceanistes* 140 (June 2015), <http://journals.openedition.org/jso/7246> <https://journals.openedition.org/jso/7246?lang=en>.

14. In a controversial 2015 compromise, the MSG granted associate membership to Indonesia and observer status to the United Liberation Movement for West Papua (ULMWP). (East Timor was granted observer status in 2011.) Vanuatu, the Solomon Islands, and FLNKS strongly support West Papuan independence movement, while Fiji and Papua New Guinea support engagement with Indonesia. See Gregory B. Poling, "The Upside of Melanesian Leader's West Papua Compromise," *CSIS Commentary*, July 2, 2015, <https://www.csis.org/analysis/>

MSG spurred other subregional efforts to establish groupings, including the Micronesian President's Summit and the Polynesian Leadership Group, although to date these have had less impact. Another grouping, the Smaller Island States (SIS), is comprised of the most vulnerable countries from across the region—the Cook Islands, the Federated States of Micronesia, Kiribati, Nauru, Niue, Palau, the Marshall Islands, and Tuvalu. The SIS is a platform within the PIF for these countries to advocate for resources to address their priorities, which include climate change, resilience, and economic development.

There have been other successful initiatives to promote regional cooperation and integration. One notable example is the University of the South Pacific, a truly regional university with campuses spread across a dozen Pacific Island countries feeding into a central university with its main campus in Suva, Fiji. Perhaps the most successful example of subregional cooperation on resource management is the Parties to the Nauru Agreement, which was formed among the eight richest tuna states from across the region in order to bolster efforts to enforce better tuna fisheries management and has achieved greater traction than the larger, region-wide Forum Fisheries Agency.

The controversies and competition that the Pacific regional architecture has seen over the past decade has arguably strengthened the role of these institutions, in particular strengthening the role of the PIF in forging a regional collective identity and voice. Pacific leaders began focusing on the large ocean territories of their small states, and the challenges and assets this ocean territory represented. Beginning in 2015, they began referring to themselves as “large ocean states” that made up a resilient “ocean continent,” departing from the traditional depiction of small, fragmented, and weak island nations. The signature “Blue Pacific” concept that now dominates the Pacific regional vision was first put forth in 2017 by then-PIF Chair Samoan Prime Minister Tuilaepa Sailele in a speech at the UN Oceans Conference in New York. Sailele described how the ocean is integral to the way of life and the shared cultural and historical identity of the people of the Pacific Islands, forming an “inseparable link between our ocean, seas, and Pacific Island peoples: their values, traditional practices, and spiritual connections.” The Blue Pacific narrative was endorsed by PIF leaders at the summit in Samoa a few months later in September 2017. The “Blue Pacific” calls on Pacific Island countries to harness their shared “ocean identity, ocean geography, and ocean resources” to develop an action-oriented agenda and drive collective efforts on regional priorities from a position of strength.

Pacific Island leaders have also sought to redefine collective understandings of the region's security priorities by emphasizing climate change and human security. In September 2018, leaders at the PIF in Nauru signed the Boe Declaration,<sup>15</sup> also referred to as “Biketawa Plus,” since it updates the 2000 regional security framework known as Biketawa, which was drafted in the wake of military coups in Fiji and the Solomon Islands and emphasizes traditional security issues. In contrast, the Boe Declaration identifies climate change as the “single greatest threat to the livelihoods, security and wellbeing of the peoples of the Pacific,” elevating climate along with other nontraditional and human security challenges,

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upside-melanesian-leaders'-west-papua-compromise.

15. “Boe Declaration On Regional Security,” Pacific Forum Secretariat, 2019, <https://www.forumsec.org/boe-declaration-on-regional-security/>.

like IUU fishing and transnational crime, in an “expanded concept of security” that calls for a strengthened regional architecture.

The Pacific regional architecture has created avenues for small Pacific Island states to forge a regional identity and assert a collective stance on major issues, thereby amplifying their regional voice and global impact. In particular, urgent calls for action on climate change and fisheries management have been articulated through the PIF and other regional fora and pushed into the international arena. Pacific Island countries seek to engage key external partners, including the United States as well as China and other Indo-Pacific powers, in and through these regional institutions as a way to best articulate their regional priorities and maximize their collective impact, a point that participants at the CSIS conference in Fiji made exceedingly clear.

## 4 | The United States and the Pacific

When the dust settled at the end of the Pacific War in 1945, the United States found itself with responsibility for islands strung across the Pacific, many of which remain key nodes for U.S. engagement today. Most significantly, the United States took charge of the Micronesian islands that today comprise the Republic of the Marshall Islands (RMI), the Federated States of Micronesia (FSM), and the Republic of Palau as administrator of the United Nations Trust Territory of the Pacific Islands. Only in 1986 did the Marshall Islands and the Federated States of Micronesia gain independence, and Palau followed in 1994, with each concurrently entering into a Compact of Free Association with the United States. Under these arrangements, the United States provides financial support and social services but also enjoys broad military access and influence over foreign affairs, as well as responsibility for their defense. Beyond the United States' special relationships with the three Compact states, the U.S. territories of Guam, the Northern Marianas Islands, and American Samoa, as well as features such as Johnson Atoll and Wake Island, give the United States widespread presence in the Pacific Island region, although significantly weighted toward the Micronesian subregion.

These small land features have been viewed as a key part of American defense strategy for over a century. Since World War II, control over the vast expanse of ocean stretching from the Philippines to Hawaii was seen as critical to prevent an adversary from gaining a strategic posture that could challenge the United States. The three Compact states are located strategically between Hawaii and Guam, providing strategic depth against adversaries as well as remoteness and unique geographical positioning, which has provided operational benefits to U.S. defense planners. Tragically, from 1946-1962 the United States took advantage of the region's sparse geography by conducting 105 nuclear tests in the Pacific, with 80 percent of the total yield and significant fallout occurring in the Marshall Islands, creating a legacy that continues to affect U.S.-RMI relations today. The Marshall Islands' unique geographical position continues to offer strategic benefits, with the U.S. military facility on Kwajalein Atoll serving as a critical node in global space surveillance and GPS and as the entry point for the testing of intercontinental ballistic missiles launched from Vandenberg Air Force Base in California. In addition to the Kwajalein Atoll, the United States has long maintained a military presence in Guam, which in recent years has been enhanced.

With the collapse of the Soviet Union at the end of the Cold War, the focus on preventing an adversary from gaining a foothold in the Pacific began to wane. The United States

increasingly welcomed Australia's growing economic assistance and leadership in the region, in particular in its immediate neighborhood of Melanesia, as well as New Zealand's leadership role in Polynesia. An informal division of responsibility emerged between the United States, Australia, and New Zealand, as well as France in its administered territories, with the United States focusing its economic, political, and security engagement in Micronesia. The responsibilities that come with the Compact arrangements, including providing economic support and social services as well as disaster response, has led the United States to focus its efforts on sustainable economic development, good governance, and resilience for environmental changes and natural disasters. However, the United States increasingly relied on Australia and New Zealand to promote political stability and provide development assistance in the broader region. The United States Agency for International Development (USAID) closed its mission in the Pacific in the mid-1990s, and U.S. strategic focus on the region declined.

U.S. economic engagement with the Pacific Island region has also been modest relative to U.S. economic ties to other regions. Due to the small size of the region's economies and the geographic distance from the United States, the region has not been a major focus for U.S. business investment and trade. Papua New Guinea has been a bit of an exception, with its large endowments of natural resources making it an investment target for American energy and mining firms. The major economic interest, however, lies in the region's fisheries. Under the 1988 South Pacific Tuna Treaty, U.S. fishing vessels are permitted to operate in the productive tuna fishing waters of the countries' EEZs and in return provides funding to the Pacific Island countries which are party to the treaty.

The Pacific Island region began to attract higher-level attention and engagement from Washington in recent years due to the surge in diplomatic focus on the broader Asia-Pacific and Indo-Pacific region. The Obama administration launched its "pivot" or rebalance to Asia, which entailed high-level political engagement with regional partners and an embrace of regional multilateral institutions and multilateral cooperation. As part of the rebalance, U.S. government delegations to the PIF annual meetings grew dramatically in seniority and size. What had previously been an engagement for a mid-level State Department official to lead began in 2009 to involve large interagency delegations led by assistant secretaries and deputy secretaries. Secretary Hillary Clinton became the first secretary of state to attend a PIF Post-Forum Dialogue and related meetings when she attended the 2012 meeting in the Cook Islands, and John Kerry met regularly with Pacific Islands leaders, including at the U.N. and during a visit to the Solomon Islands in 2014. President Obama met with Pacific Island leaders three times: on the margins of the Asia-Pacific Economic Cooperation (APEC) Leaders Meeting in Hawaii in 2011; at a meeting with the leaders of Kiribati, the Marshall Islands, and Papua New Guinea at the Paris Climate Conference in 2015; and with the Pacific Island Leaders in Hawaii in 2016.

In addition to "showing up," the Obama administration's focus on the environment and oceans policy, and in particular its leadership on global action on climate change, provided a shared agenda for Pacific Island collaboration and did much to boost U.S. standing in the region. The Obama administration reestablished a USAID presence in the Pacific Island region, opening an office in Port Moresby, Papua New Guinea and launched a number of new initiatives and development programs.

China's growing economic and diplomatic presence in the region also led to expanding concerns about the strategic vacuum left by decades of diminished U.S. engagement. With its growing maritime ambitions, capabilities, and assertiveness in the Pacific, U.S. strategists increasingly viewed China as a potential adversary, returning focus to the strategic value of the second island chain as a buffer against China's access to the Pacific. The build-up of Guam as a strategic military hub in the western Pacific put more focus on Chinese efforts at economic and security cooperation in the region and gave rise to concerns about Chinese access on nearby islands for signals monitoring and surveillance. There was also growing attention to the potential negative impacts of Chinese development and financing practices, which could lead to corruption, the erosion of good governance, low social and environmental standards, and unsustainable debt obligations.

The focus on strategic competition with China has led the Trump administration to pay more attention to the Pacific Islands. With its launch of the "Free and Open Indo-Pacific" strategy, the Trump administration has placed a sharper focus on strategic competition with China and the imperative of stepping up engagement and cooperation with key partners in the broad Indo-Pacific region. The Pacific has become a focal point for the "Indo-Pacific" strategy. In terms of diplomatic engagement, Secretary of the Interior Ryan Zinke attended the 2018 Pacific Islands Forum in Nauru, the first cabinet-level official to attend since Secretary Clinton in 2012. Senior Trump administration officials from the National Security Council (NSC), Pentagon, and State Department have made regular visits to Pacific Island nations, including NSC Senior Director for Asian Affairs Matthew Pottinger, Assistant Secretary of Defense for Indo-Pacific Security Affairs Randy Schriver, and Acting Assistant Secretary of State for East Asian and Pacific Affairs Patrick Murphy. Perhaps most tangibly, a new Oceania and Pacific Islands directorate was created in the NSC to drive interagency planning and policies on the Pacific Island region.

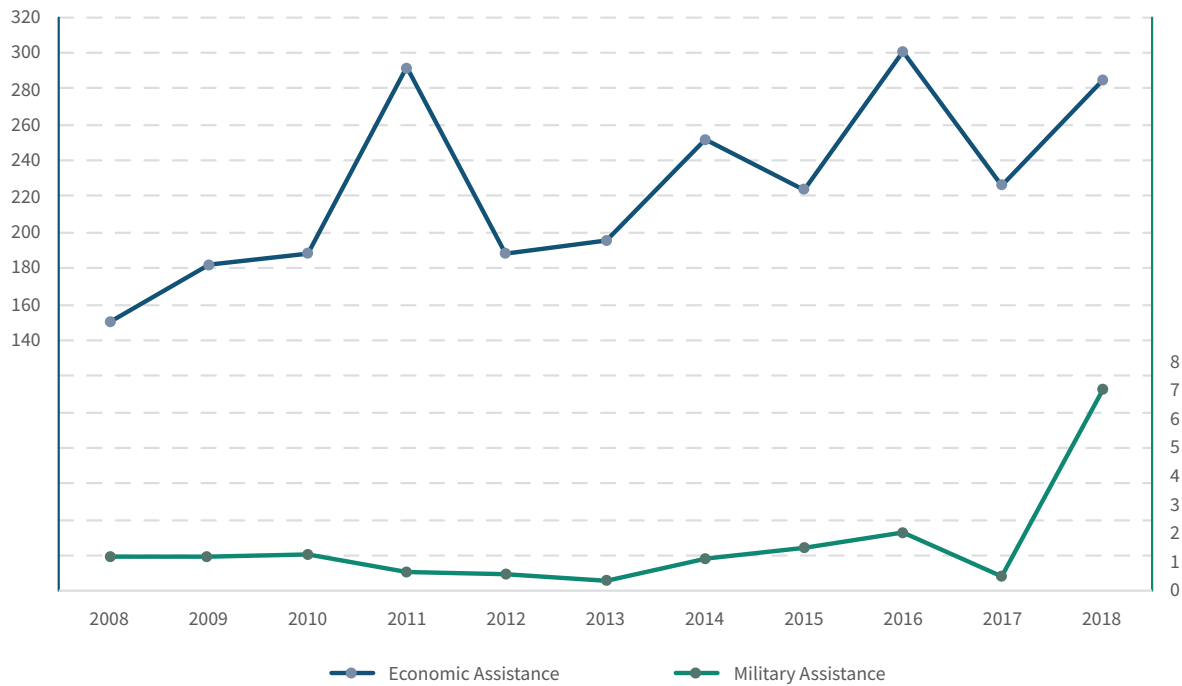
There are also some signs that the administration is securing additional resources to put towards enhancing economic and security engagement with the Pacific Islands.

As part of Secretary of State Pompeo's August 2018 announcement of additional Foreign Military Financing (FMF) for countries in the Indo-Pacific, Papua New Guinea, Fiji, and Tonga received about \$7 million in additional security assistance for fiscal year 2018, a notable increase that is expected to continue into the future. The United States will also soon send advisors to Fiji to work with its Ministry of Defense on maritime security issues and assign defense attachés to Papua New Guinea and the Federated States of Micronesia.

In addition to ongoing cooperation on maritime security, fisheries, environmental protection, disaster resilience, and climate adaptation, the U.S. government also fosters people-to-people ties. However, the numbers are low: in 2017 the Fulbright program brought only three students from the Pacific to the United States for graduate studies, and the Young Pacific Leaders program has struggled to secure reliable funding, as opposed to the Young Southeast Asian Leadership Initiative (YSEALI), which enjoys the status of being a Presidential Initiative (launched under President Obama). U.S. diplomatic presence is also sparse, with embassies only located in Fiji, Papua New Guinea, and the three Compact states, as well as a token presence in Samoa.



## U.S. Foreign Aid to Pacific Islands in USD millions (obligations)



Source: "Foreign Aid Explorer," USAID, 2019, <https://explorer.usaid.gov/data>.

At the APEC summit in Papua New Guinea in November 2018, Vice President Pence announced two significant new initiatives for Papua New Guinea. The first was a partnership between the United States, Australia, Japan, and New Zealand on a \$1.7 billion project to build an electric grid in Papua New Guinea that will connect 70 percent of its citizens to electricity by 2030. The second was a plan to work jointly with Australia to develop the Lombrum naval base on Manus Island in Papua New Guinea.

As numerous conference participants from the Pacific Islands made clear, enhanced U.S. diplomatic engagement under the Trump administration is noted and appreciated, but many raised questions about whether it will be broad-ranging and sustainable. Further, Pacific Island participants emphasized that President Trump's skepticism over climate change and the U.S. withdrawal from the Paris Agreement have been enormously damaging to U.S. standing in the region. While many U.S.-supported climate activities continue, such as climate adaptation and resilience projects, the political impact of the United States walking away from global action on the region's top priority has been jarring. Finally, participants also made clear that the region does not want closer engagement to be framed in terms of competition with China, since China is viewed as a welcomed external partner for economic development.

## 5 | China's Growing Role in the Pacific Island Region

China's diplomatic and economic push into the Pacific is quickly changing the strategic landscape and creating opportunities and challenges for Pacific Island nations. While Chinese interest is not new—China has long been a suitor of Pacific Island nations in the context of competition with Taiwan for diplomatic recognition—the depth and breadth of its new engagement is striking.

With a surge in Chinese trade, investment, loans, development assistance, and tourism, China has become a major player in the Pacific Island region over the past several years. Traditionally China has focused its economic and diplomatic engagement on its eight diplomatic partners in the region (the Cook Islands, Federated States of Micronesia, Fiji, Niue, Papua New Guinea, Samoa, Tonga, and Vanuatu), but more recently it has begun to step up engagement with the other countries in the region as well. China also provides substantial funding and other support to regional multilateral organizations, including \$1 million donated to the PIF Secretariat in 2016 and 2017 and financial support for the inaugural meeting of the Fiji-led PIDF in 2013. China has also taken a great interest in the Melanesian Spearhead Group (MSG), financing the creation of the group's secretariat and funding the construction of the secretariat building in Vanuatu.

China has rapidly risen to become one of the largest providers of economic assistance in the region, second only to Australia. More than 80 percent of Chinese aid comes through concessional loans, which are typically used for infrastructure built by Chinese state-owned enterprises, while the remaining aid comes in the form of grants.<sup>16</sup> Some of the largest projects funded by China have included a \$136 million road project in Fiji, an \$85 million roads project in Papua New Guinea, and the \$81 million Lugainville wharf redevelopment in Vanuatu.<sup>17</sup>

Like elsewhere in the world, concerns about standards, the import of Chinese workers, and debt sustainability are abundant, and Pacific Island nations are acutely aware of

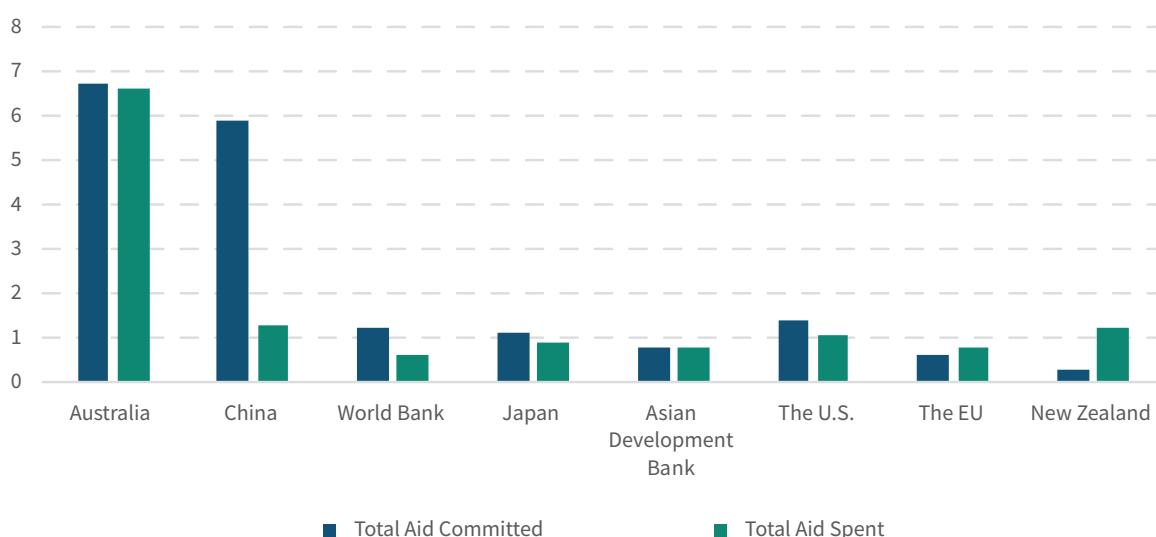
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16. Ethan Meick, Michelle Ker, and Han May Chan, *China's Engagement In The Pacific Islands: Implications For The United States* (Washington, DC: U.S. China Economic and Security Review Commission, June 2018), <https://www.uscc.gov/sites/default/files/Research/China-Pacific%20Islands%20Staff%20Report.pdf>.

17. "Pacific Aid Map," The Lowy Institute, 2019, <https://pacificaidmap.loyyinstitute.org/>.

the challenges that come with Chinese aid and investment. The concern that China is increasing the debt burden of many countries in the region to unsustainable levels is particularly salient. China's large loans come with concessional interest rates but must eventually be paid back, which can become a challenge to many of these small economies that are not fully self-sufficient economically. The International Monetary Fund has warned that Tonga, Samoa, and Vanuatu all have serious debt repayment burdens and significant debt to China.<sup>18</sup> China agreed to defer Tonga's loan payments in 2016 for two years and then offered a five-year suspension in 2018 after Tonga's prime minister voiced concern that China would start seizing strategic assets, warning "if it happened in Sri Lanka it can happen in the Pacific."<sup>19</sup> The five-year moratorium provides a reprieve for Tonga, but it remains unclear how Tonga will be able to service its debt five years from now.

## Top Aid Donors in the Pacific Region (2011–2018) in billion USD



Source: "Pacific Aid Map," The Lowy Institute, 2019, <https://pacificaidmap.loyyinstitute.org/>.

Chinese economic leverage over countries with large debt obligations and economic linkages poses a challenge for the United States and its international partners, with countries already demonstrating they will support Chinese interests beyond the Pacific in return for Chinese favors. Both Vanuatu and Papua New Guinea pledged support for China's position on the South China Sea in 2016, and when the UN arbitral tribunal ruling was issued in late July 2016, Vanuatu became one of only six countries in the world other than China and Taiwan to oppose the ruling. In many cases, China has been upfront about its expectations that its largess comes with strings attached. In 2017, China's ambassador to Vanuatu Liu Quan told the Vanuatu Daily Post that China expects

18. "List Of LIC Dsas For PRGT-Eligible Countries," International Monetary Fund, 2019, <https://www.imf.org/external/Pubs/ft/dsa/DSAlist.pdf>.

19. Charlotte Greenfield and Jonathan Barrett, "Tonga PM Fears Asset Seizures As Pacific Debts To China Mount," Reuters, August 18, 2018, <https://www.reuters.com/article/us-pacific-debt-tonga-graphic/tonga-pm-fears-asset-seizures-as-pacific-debts-to-china-mount-idUSKBN1L10KM>.

recipients of its foreign assistance to support China's position at the UN, saying "there is no free lunch."<sup>20</sup>

China has also used its economic linkages coercively to pressure countries into switching diplomatic recognition from Taiwan to the People's Republic of China (PRC). In Palau, China ramped up Chinese tourism beginning in 2010, leading to a 10-fold increase in Chinese tourists visiting Palau within three years and a *100-fold* increase within five years; in 2015, nearly 100,000 Chinese tourists visited Palau, giving a significant boost to Palau's tourism industry, which accounts for over 40 percent of its GDP.<sup>21</sup> Then, in late 2017, the Chinese government banned Palau as a tourist destination for state-run tour packages, causing Chinese tourists to plummet and leading to charges that China was "weaponizing tourism" as a way to pressure Palau to switch its diplomatic recognition from Taiwan to the PRC.

China's advance into the region is also raising major concerns over fisheries. Over the past five years China's fishing fleet has expanded dramatically in the waters of the western central Pacific, putting further stress on fisheries stocks. The heavily-subsidized fishing vessels have led to increased competition with local fisherman, declining fishing stocks and amplified concerns about IUU fishing, given that China's long distance fishing fleets have been identified as a major contributor to global IUU fishing.<sup>22</sup> Analysts have also pointed to Chinese fishing fleets as a cover for signals intelligence monitoring. China's interest in signals intelligence monitoring in the region is well-established: in 1997, China built a satellite tracking station in Kiribati (dismantled after Kiribati switched diplomatic recognition to Taiwan) to spy on the U.S. Ballistic Missile Testing Site on Kwajalein Atoll.<sup>23</sup>

Australia has responded adroitly to concerns about China's growing strategic presence in the region. China's growing ties with Fiji in the wake of the 2006 coup led to increased defense cooperation and has been a particular concern. China's bid to redevelop Fiji's Black Rock Camp into a regional hub for police and peacekeeping training caused Australia to scramble to assemble a more attractive deal to offer Fiji. When the Solomon Islands suddenly announced a deal with Huawei in late 2016 to build an underwater fiber-optic cable from Australia to Honiara, Australia quickly stepped in with a pledge to fully subsidize the project of constructing a 4,000 kilometer underwater cable to link the Solomon Islands as well Papua New Guinea, at a cost of over \$100 million.<sup>24</sup>

Of greatest strategic concern is the potential for the People's Liberation Army (PLA) to establish a permanent presence in the region, which would have major implications for U.S. and Australian defense planners. A Chinese military footprint in the Pacific Islands, sitting astride sea lanes running from Australia to Hawaii, could enable China to project

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20. Anthony Klan, "Chinese Envoy Tells Vanuatu It Expects Support In Return For Aid," *Australian*, January 30, 2018, <https://www.theaustralian.com.au/nation/foreign-affairs/chinese-envoy-tells-vanuatu-it-expects-support-in-return-for-aid/news-story/44fd8ded4a475a2a247e54d9dcf46344>.

21. Greg Dickinson, "How China Is Quietly Weaponizing Overseas Tourism," *Telegraph*, November 27, 2018, <https://www.telegraph.co.uk/travel/comment/china-weaponising-tourism-palau/>.

22. Meick, Ker, and Chan, "China's Engagement In The Pacific Islands"

23. Philip Pan, "Tiny Republic Embraces Taiwan, and China Feels Betrayed," *Washington Post*, November, 2018, [https://www.washingtonpost.com/archive/politics/2003/11/27/tiny-republic-embraces-taiwan-and-china-feels-betrayed/ab921d4f-05f8-48cc-af34-f1ef657b8880/?utm\\_term=.c281ab1aa658](https://www.washingtonpost.com/archive/politics/2003/11/27/tiny-republic-embraces-taiwan-and-china-feels-betrayed/ab921d4f-05f8-48cc-af34-f1ef657b8880/?utm_term=.c281ab1aa658)

24. Computerworld, "Australia Blocks Huawei Bid To Lay Solomon Islands Cables," *Reuters*, June 13, 2018, <https://www.computerworld.com.au/article/642368/australia-blocks-huawei-bid-lay-solomon-islands-cables/>.

power beyond the second island chain and severely complicate the ability of the U.S. Navy to control Pacific waters of vital strategic interest. Reports that surfaced in 2018 suggesting that Vanuatu was in discussions with China about using the China-funded Lugainville wharf as a permanent location for Chinese naval vessels rang alarm bells in Canberra. Although both Vanuatu and China both denied the reports, the possibility of a Chinese naval base in close proximity to Australian strategic waters has reshaped the strategic debate in Australia about Chinese presence in the Pacific Island region.

Likewise, Chinese interest in Papua New Guinea's Lombrum naval base accelerated Australian and U.S. plans to partner with Papua New Guinea on the project. For the United States, rising Chinese presence in the Compact states, most notably the Federated States of Micronesia, could potentially create strategic challenges. Most dramatically, should the Micronesian states of Chuuk or Yap choose to become independent, as is periodically mooted, the strategic advantages the United States enjoys over these states as part of the Federated States of Micronesia Compact of Free Association would disappear.

In the end, despite the challenges, the region sees China as an increasingly important economic partner. Chinese economic and diplomatic engagement is welcomed, even as countries recognize that the downside risks of Chinese engagement need to be managed collectively as well as bilaterally. Many of the Pacific Island participants at the CSIS conference stressed this point and emphasized that countries do not want to be put into the position of being forced to choose between China and traditional partners.

## 6 | Recommendations

As the United States enhances its focus on the Pacific, it finds itself in an advantageous position. The United States is seen as a trusted partner, and the region seeks greater engagement with the United States. Relatively small initiatives (by U.S. standards) could have a highly positive impact on U.S.-Pacific Island relations.

Drawing on the discussions during the conference CSIS convened in March 2019, the authors believe the following actions and activities could help strengthen the U.S.-Pacific Islands partnership:<sup>25</sup>

### *For the United States:*

1. *The United States needs to articulate more clearly how the Pacific Islands fit into its broader regional strategy and include Pacific priorities in regional policy.* While the Trump administration's Free and Open Indo-Pacific (FOIP) strategy may resonate well in many parts of the broader Indo-Pacific, it mostly rings hollow in the Pacific Island region, where the threat of climate change is far and away the top priority and threatens the very existence of many island nations. Trump's Indo-Pacific strategy is silent on climate change, neutral on multilateralism, and emphasizes sovereignty as the key principal that must be upheld—which does little to reassure the Pacific Island nations under the existential threat posed by rising sea levels on their territorial integrity. On the other hand, the FOIP focus on the principle of freedom of navigation and maritime security cooperation provides elements to build on, and more focus on cooperation on challenges like maritime protection and IUU fishing are promising avenues to deepen cooperation. Efforts to boost the U.S. role in providing quality infrastructure are also welcome in the region, and tangible projects like the Papua New Guinea electrification project in cooperation with Australia, Japan, and New Zealand could have a very positive impact. Rather than sovereignty, the Trump administration should focus on enhancing resiliency in the face of climate change, natural disasters, and transnational challenges.
2. *The United States should better integrate the Pacific Islands into its approach to broader Asia-Pacific architecture.* Related to the first recommendation, many conference

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25. These recommendations draw from the March 2019 conference but reflect the judgement of the report's authors alone.



participants noted that both the Obama Rebalance and the Trump Indo-Pacific strategy included the Pacific Islands as afterthoughts in the roll-out of a regional policy, rather than as integral parts of the formation of regional strategy. Greater consultation of Pacific Island leaders and senior officials in and through broader regional frameworks is one way to ameliorate this sense of being treated as second-tier members of the region. The United States should seek to better integrate Pacific Island leaders in Asia-Pacific regional organizations like APEC, where only Papua New Guinea among the Pacific Island nations is a member, and ASEAN-led frameworks like the East Asia Summit and ASEAN Regional Forum. The United States should seek invitations for Pacific Island leaders to attend these regional dialogues as observers, and the president and senior officials representing the United States should regularly meet with their Pacific Island counterparts as a group on the sidelines of these meetings. U.S. officials should engage and consult with Pacific Island counterparts on a broad range of regional priorities to create greater Pacific “buy in” to articulations of U.S. regional policies.

3. *The United States should capitalize on its large reserves of soft power in the region by ramping up its public diplomacy efforts and building more people-to-people ties.* U.S. soft power in the region is unmatched and offers incredible opportunities for deeper engagement, especially given the small scale of the Pacific Island nations. Conference participants expressed how much they “like” Americans (in favorable comparison to other traditional partners in the region) and appreciate the pragmatic yet idealistic, “can-do” attitudes shown by Americans who visit or volunteer in the region. Several participants noted in particular the incredibly positive role played by Peace Corps volunteers in their villages in the past and lamented that the Peace Corps has largely withdrawn from the region.<sup>26</sup>

#### **SPECIFICALLY:**

- *The State Department Young Pacific Leader program should be expanded and elevated into a presidential initiative.* YSEALI provides a model for a presidential initiative that builds a substantial network of engaged young leaders in the region, with many opportunities to engage American officials and counterparts in the region and in the United States. The YPL program, on the other hand, is more limited in size and resources, and engagement focuses on Hawaiian counterparts. YPL participants and alumni networks should be given opportunities to travel to Washington and other parts of the United States, as well as opportunities to engage with YSEALI and broader regional counterparts.
- *The Peace Corps presence should be reestablished in more Pacific Island nations, and Fulbright should be dramatically expanded.* Fulbright currently supports only three Pacific Island scholars studying in the United States, and three scholarships for U.S. students studying in the Pacific Islands.
- *Educational partnerships with the University of the South Pacific should be explored.* The United States government has in the past supported institutional partnerships between universities to foster faculty and student exchanges. A similar arrangement

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26. The Peace Corps used to have presence in 12 Pacific Island countries but is now present in only 4, with the FSM and Palau programs shuttered last year.

between the University of the South Pacific, a truly regional university owned by 12 Pacific Island countries, and a U.S. university would be a tremendous opportunity for building capacity and people-to-people ties.

- *Incorporate visits by cultural figures drawn from the sports, music, and entertainment industries on diplomatic outreach efforts.* American sports figures, musicians, and other entertainers are very popular in the Pacific Islands and could serve as valuable cultural ambassadors to the region. Occasional multi-country visits in the Pacific Islands by senior U.S. officials from the State Department, Pentagon, INDO-PACOM, and USAID could include recognizable cultural figures, which would amplify the impact of official U.S. diplomatic tours.
  - *Track 2 and Track 1.5 dialogues between Americans and Pacific Islanders, including representatives from regional organizations, are a meaningful way to build ties and mutual understanding.* Participants at the CSIS conference noted that this conference was the “first of its kind” and contributed in helpful ways to the U.S. government-led diplomatic surge in the region.
4. *As the United States steps up engagement with the region, it should prioritize engagement in and through the existing Pacific regional architecture.* The region is justifiably proud of the institutions it has developed and the “Blue Pacific” vision articulated by its leaders. The United States should engage as deeply as possible and at the highest possible level with this existing regional architecture, particularly with the PIF. The secretary of state should attend the PIF Post-Forum Dialogue annually, prioritize meetings with the PIF leaders as a group, and exchange views on their priorities. The United States should consider launching a biennial (every other year) U.S.-Pacific Islands Leaders Meeting, similar to Japan’s Pacific Island Leaders Meeting (PALM).
  5. *The United States should prioritize engaging the Pacific Islands in Washington, rather than Hawaii, to facilitate better access to U.S. government agencies and Congress.* As a Pacific Island with shared cultural and historical linkages, Hawaii serves as the gateway to the Pacific and an ambassador for the United States to the region. Many of the U.S.-Pacific Island presidential-level meetings, YPL meetings, and training and educational opportunities take place in Hawaii. Hawaii’s role as a hub for U.S.-Pacific Islands engagement is appropriate and helpful, yet several conference participants noted that Pacific Islanders sometimes feel limited in their ability to find engagement opportunities beyond Hawaii. More activities in Washington, D.C. and in America’s “heartland” would have an outsized impact on building greater shared understanding and people-to-people ties between the leadership and peoples of the Pacific Islands and the United States.
  6. *The United States should expand its diplomatic footprint in the region.* The United States has six embassies and consulates in the region (Palau, the Federated States of Micronesia, the Marshall Islands, Fiji, Papua New Guinea, and a token presence in Samoa), which is inadequate given the region’s strategic importance. The United States should consider establishing diplomatic missions in all countries in the region starting with the Solomon Islands and Vanuatu.

7. *The United States should work with other like-minded nations who share interests in the Pacific Islands, such as Japan and Australia, to build connectivity, resilience, and other critical needs.* The United States should coordinate assistance with Australia, New Zealand, and Japan and seek more opportunities to partner with these countries on ambitious infrastructure projects like the recent announcement on electrification and the naval base development in Papua New Guinea. Joint infrastructure financing on other strategic projects in the region should be a focus area for further cooperation, especially given how relatively small-scale investments can be highly impactful in the region.
8. *However, the United States needs to tactfully navigate when and how it collaborates with Australia and New Zealand.* While Australia and New Zealand are natural partners in the Pacific, they share the burden of being seen as quasi-colonial powers in the South Pacific. The United States has a unique brand in the region, and many conference participants expressed a strong preference for direct American engagement rather than U.S. engagement through collaborative approaches with like-minded partners. American officials and civil society engagements should be mindful of this clear preference and seek opportunities to engage directly and separately as Americans, while quietly coordinating behind the scenes.
9. *The United States should focus on Information Technology and Communication (ICT) connectivity.* The Internet has the potential to be economically and socially transformative for far-flung locales in the Pacific, and the United States has a comparative advantage in helping to bridge the ICT infrastructure gap. The United States should also work with Australia, Japan, and others to expand regional understanding of the risks associated with Chinese ICT platforms and assist regional countries to mitigate these risks.
10. *The United States should expand the U.S. Coast Guard Shiprider program.* The U.S. Coast Guard partners with 10 Pacific Island countries through Shiprider Agreements, which entails hosting partner nation law enforcement officers on U.S. Coast Guard vessels and aircraft to patrol national EEZs and build maritime domain awareness and enforcement capacity. The United States should expand the frequency of these training and enforcement opportunities and seek to expand membership to all Pacific Island nations.

### *For the Pacific Islands:*

1. *The Pacific Island nations should develop a set of “Pacific Principles” to guide external financing and investment.* Collectively defining a set of criteria for social and environmental standards and responsible lending that suits the needs and priorities of the region would be a useful way to channel external support for infrastructure projects and commercial investments towards positive outcomes and manage downside risks. Pacific Island nations should recognize that they have leverage over potential partners, given the strategic competition in the region, and articulate the precise standards they seek from external financing and foreign investment.

2. *The ambassadors from Pacific Island nations to the United States, many of whom are based at the United Nations in New York, should engage as a group in Washington, D.C. as much as possible to amplify their voice.* While only a few Pacific Island nations have resident ambassadors in Washington, D.C., all have missions to the UN. On a regular basis, representatives from the Pacific should convene in Washington, D.C. for joint meetings with U.S. officials and members of Congress to augment a collective voice on regional priorities. Engaging Congress should be a particularly high priority given how few members have opportunities to travel to the Pacific Island region and focus on regional issues in the course of their duties.
3. *The Pacific Island nations should leverage Papua New Guinea's APEC membership to put Pacific priorities on the regional agenda.* Papua New Guinea's APEC membership is the region's one seat at the table in broader Asia-Pacific and Indo-Pacific groupings and should be utilized as much as possible as a voice of the Pacific.

### *For the United States and the Pacific Islands:*

1. *The United States and Pacific Island nations should engage in negotiations on a Trade and Investment Framework Agreement (TIFA).* A TIFA would be a strong statement by both sides of mutual interest in deepening economic ties and would provide a vehicle for more substantive dialogue on economic issues.
2. *The United States and Pacific Island partners should leverage remote sensing technologies, machine learning, and other emerging solutions to improve maritime domain awareness across the region's vast waters.* This should not only include information sharing through existing U.S. partnerships and platforms like SeaVision and Sealink Advanced Analysis (S2A), but also training and financial assistance to access and process commercially available space-based resources, including Automatic Identification System (AIS) signals, Visible Infrared Imaging Radiometer Suite (VIIRS) data, Synthetic Aperture Radar (SAR), high-resolution satellite imagery, and radio frequency detection.
3. *The United States and the Pacific Islands should expand collaboration on science and management approaches to anticipate and mitigate the impacts of climate change on fishery and other marine resources.* The most recent analysis by the UN FAO predicts significant shifts in the location and abundance of major fisheries across the Pacific over the next 50 years. Expanded exchange of scientific and management capacity through the Pacific Islands Forum should be directed to refining these predictions, understanding impacts of these changes on local economies and security issues, and directing future management and aid programs. This sort of collaboration would demonstrate the United States' seriousness in working with the region to address its most pressing concerns while also benefitting the U.S. scientific community.

## About the Authors

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